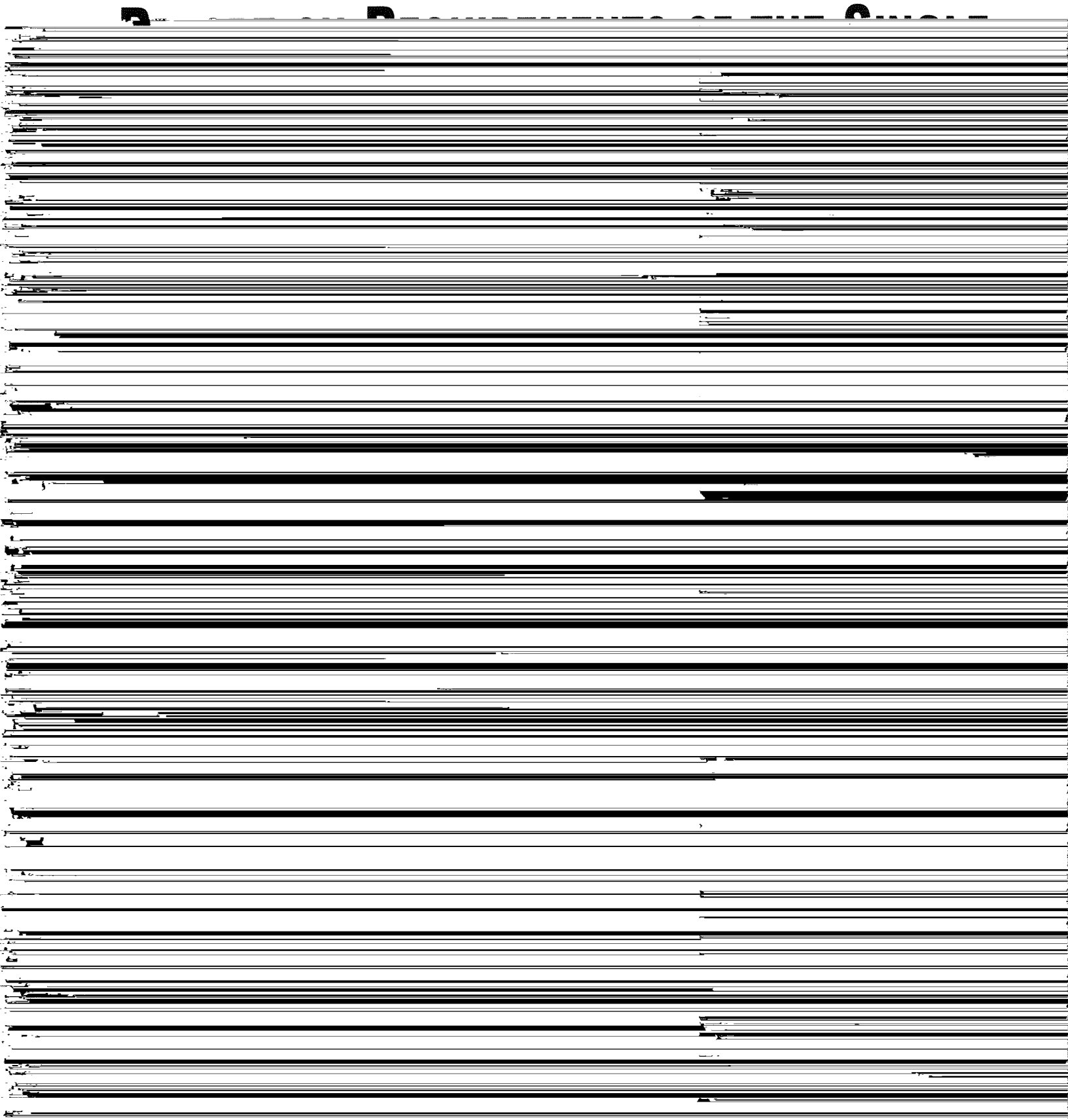


SCHOOL DISTRICT No. 1, MULTNOMAH COUNTY, OREGON

PORTLAND PUBLIC SCHOOLS



**SCHOOL DISTRICT NO. 1,
MULTNOMAH COUNTY, OREGON
PORTLAND PUBLIC SCHOOLS**

**SCHOOL DISTRICT NO. 1,
MULTNOMAH COUNTY, OREGON
PORTLAND PUBLIC SCHOOLS**

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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

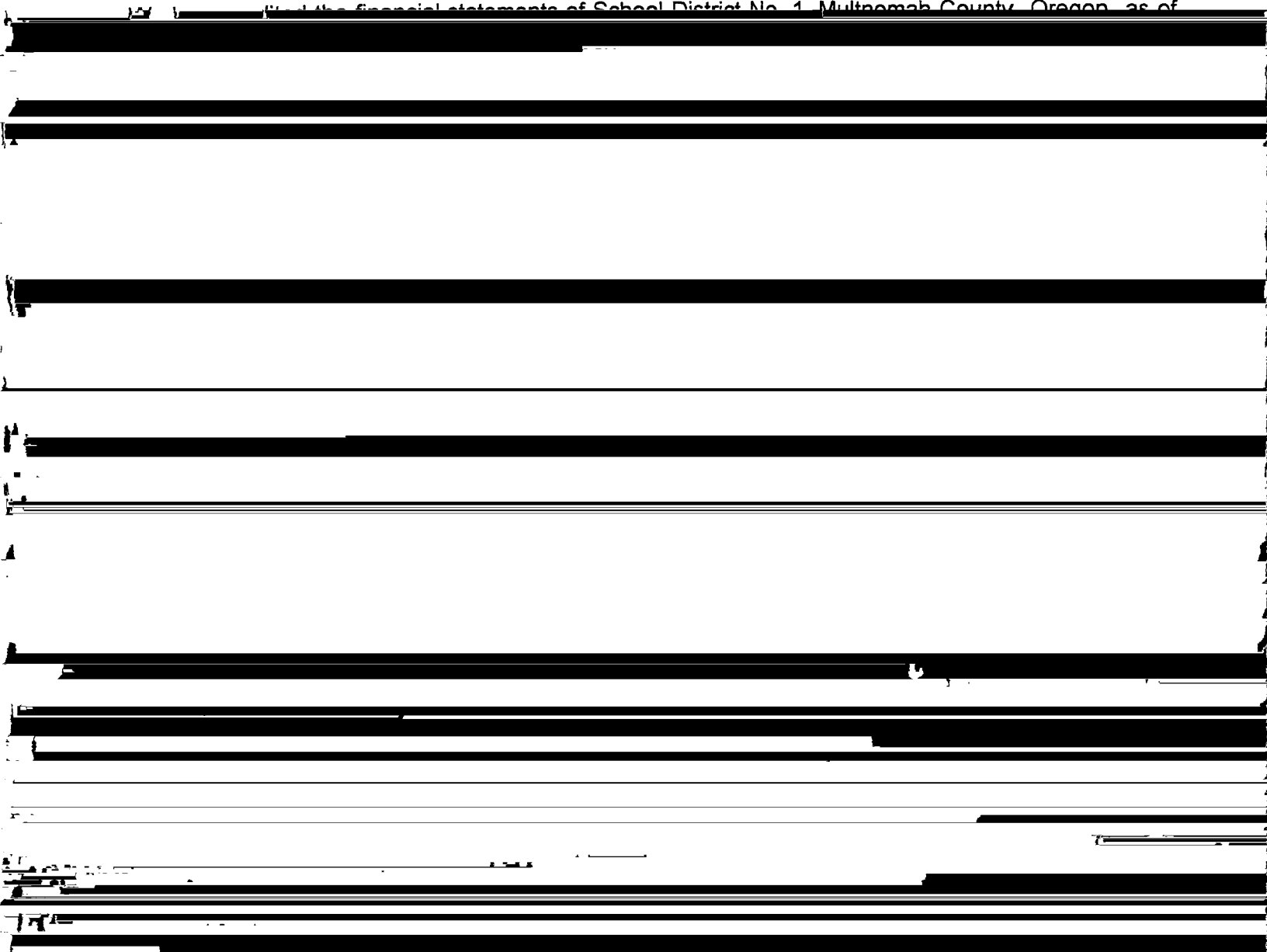
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- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

November 27, 2002

To the Board of Education
School District No. 1, Multnomah County, Oregon
Portland, Oregon

**INDEPENDENT AUDITORS' REPORT
ON THE SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

We have audited the financial statements of School District No. 1, Multnomah County, Oregon, as of





stals

8,745,339

32,657

106,050

140,370

449,252

Totals

94
46
97
40
23
00

10,300

17
98
70
85

67,285

53
53

347
869
737
74
827

694,780 *

267
267

6,267

636
636

374
374

2 2 2 5 3

1 1 2

12

12 14 13 11

02

05

02

Totals

92
88
00
91
05
62
05
57
70
59
29
37)
62
61
61
54
31
10
42 *

104
104
46
46
100
100
36
102
124
169
151
157
172
376
187
188
316
395
399

Totals

717
192
909

1111
501
490

247
741
988

083
000
083

423
423

292
292

519
823
014
005
40
401

675
779
952
406

822)
858
036

730
730

669
669

Totals

.512
512
.115
791
1,190
1,000
1,000
2,609
2,884
1,381
1,046
3,657
2,811
1,298
1,785
3,148
3,831
3,556
3,185
0,000
3,327
6,512
6,886
1,140
8,026
5,000
0,000
1,329
0,000
5,000
7,500
5,000
7,383
11,212 *
2,863
2,863



Totals

22
67
89

40
32
72

56
56

35
35

78
130
140
148

113
113

999
999

170
398
568

162
162

280
280

393
312
505

239
239

\$	Totals
----	--------

4,216
 9,038
 4,392
7,646

 1,620
 5,220
6,840

 4,752
 0,943
5,695

 3,838
 9,688
 1,155
4,681

34,366,529

5,054
5,054

 7,885
 8,037
15,922

 56,989
 28,063
95,052

 45,348
45,348

 204
 10,454
 99,990
10,648

 21,466
 1,055
 48,411
70,932

Totals

415
443
333
842
390
423 *

684
215
398
297

933
933

4,170,609

376
376

378
3,872
7,250

14,626

\$ 48,804,064



PAULY, ROGERS AND CO., P.C.

REGISTERED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223

November 27, 2002

To the Board of Education
School District No. 1, Multnomah County, Oregon
Portland, Oregon

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of School District No. 1, Multnomah County, Oregon, as of



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

November 27, 2002

To the Board of Education
School District No. 1, Multnomah County, Oregon
Portland, Oregon

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE WITH OMB CIRCULAR A-133**

We have audited the compliance of School District No. 1, Multnomah County, Oregon, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular*

A-133 Compliance Supplement that are applicable to each of the major programs and internal control

To the Board of Education
School District No. 1, Multnomah County, Oregon
Portland, Oregon
November 27, 2002
Page 2 Of 2

The management of School District No. 1, Multnomah County, Oregon, is responsible for establishing

and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered School District No. 1, Multnomah County, Oregon's, internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that non-compliance with applicable requirements of laws, regulations,

**SCHOOL DISTRICT NO. 1, MULTNOMAH COUNTY, OREGON
SCHEDULE OF PRIOR AND CURRENT YEAR AUDIT FINDINGS
AND QUESTIONED COSTS RELATIVE TO FEDERAL AWARDS
For the Year Ended June 30, 2002**

CURRENT YEAR AUDITORS' REPORT ON THE GENERAL PURPOSE FINANCIAL STATEMENTS:

Unqualified Opinion

CURRENT YEAR REPORTABLE CONDITIONS AND MATERIAL WEAKNESSES:

None

CURRENT YEAR NONCOMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS:

None reported

CURRENT YEAR REPORTABLE CONDITIONS AND MATERIAL WEAKNESSES IN INTERNAL

None reported

CURRENT YEAR AUDITORS' REPORT ON COMPLIANCE FOR MAJOR PROGRAMS:

Unqualified Report

MAJOR PROGRAMS FOR THE YEAR ENDED JUNE 30, 2002:

All passed through the State of Oregon, Department of Education:

Education and Human Resources – CFDA No. 47.076